Commonwealth of Massachusetts Department of Telecommunications and Energy Fitchburg Gas and Electric Light Company Docket No. D.T.E. 02-55 Record Request Response

Record Request No. DOER-RR-1

If a December through March timeframe were used at the time the delivered cost analysis in Exhibit DBD-5 was developed, what would the estimated Zone 6 basis have been?

Response:

As stated at the hearing on October 29, 2002, if a December through March timeframe had been used, the basis would have been higher than the fifty-three cents in Exh. FGE-DBD-5 because FG&E would be purchasing for less of the winter period. With the additional month of November added into the timeframe the overall average is lower because November trades at a discount.

If a four month strip price for gas supplies in Zone 6 of the Tennessee Gas Pipeline were used, at the time the delivered cost analysis was developed in the late summer/fall of 2001 (based on what was known at that time), a sixty-two cent (\$0.62) basis would have been reasonable. The estimated basis for Zones 0 and 5 would also be higher for the shorter winter period in this scenario. Accordingly, the relative delivered cost analysis for the three zones likely would not have changed from that assumed on Exh. FGE-DBD-5.

Person Responsible: David B. Doskocil